

Consumer Confidence Reaches 6-Year High

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WASHINGTON (AP) — U.S. consumers are more confident about the economy than they have been in more than six years.

The Conference Board's confidence index rose to 85.2 this month from a revised 82.2 in May, the private research group said Tuesday. The June figure is the highest since January 2008, a month after the Great Recession officially began.

More Americans are optimistic about business conditions and the outlook for jobs, though fewer expect their incomes will grow over the next six months.

"Still, the momentum going forward remains quite positive," Lynn Franco, a Conference Board economist, said.

The index compiled by the Conference Board shows that confidence has been rising steadily since bottoming at 25.3 in February 2009. It's well above last year's average of 72.3. But it still hasn't returned to full health. Before the recession, the index usually topped 90.

Consumers' attitudes are closely watched because their spending accounts for about 70 percent of U.S. economic activity.

Consumers registered the most favorable assessment of current business conditions since March 2008, and their outlook for the next months rose to highest level since August 2013. The percentage saying jobs are "plentiful" was 14.7 percent, highest since May 2008.

"Americans appear to have had a bit more of a spring in their step over the past two months," Jennifer Lee, senior economist with BMO Capital Markets, wrote in a research note.

An improving job market has brightened Americans' outlook.

The U.S. economy generated more than 200,000 jobs in May for the fourth straight month -- the longest such streak since 1999. The unemployment rate has tumbled to 6.3 percent in May from 7.5 percent a year earlier.

Icy weather put the economy in a deep freeze the first three months of the year: From January through March, the economy contracted at a 1 percent annual rate -- a figure that might be downgraded even more when the government issues updated first-quarter numbers Wednesday.

But economists expect the economy to pick up momentum as the year wears on and to be expanding at a 3 percent annual pace in the second half of 2014.

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